



LOS ANGELES COUNTY CAPITAL ASSET LEASING CORPORATION

ARTURO SNEIDER
President

MAHESH PAREKH
Vice President

JUDITH FRANK
Secretary-Treasurer

ROBERT BUSH
Director

BONDIE O. GAMBRELL
Director

MINUTES **MARCH 16, 2010 MEETING** Sybil Brand Conference Room 372 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

CALL TO ORDER – ROLL CALL

President Sneider called the meeting to order at 2:35 p.m. Introductions of guests and Board Members followed.

The following Board Members were present, constituting a quorum:

PRESENT

Arturo Sneider, President
Mahesh Parekh, Vice President
Judith Frank, Secretary-Treasurer
Robert Bush, Director

ABSENT

Bondie O. Gambrell

APPROVAL OF OCTOBER 15, 2009 MINUTES

On motion of Vice President Parekh, seconded by Director Bush, the minutes of October 15, 2009 were approved as submitted.

APPROVE JUNE 30, 2009 AUDITED FINANCIAL STATEMENTS

Following discussion, on motion of President Sneider, seconded by Director Bush and unanimously carried, the Corporation approved the June 30, 2009 Audited Financial Statements.

(Director Frank joined the meeting at 2:35 p.m.)

DISCUSSION ON RELEASING LOS AMIGOS GOLF COURSE FACILITY BACK TO THE COUNTY

The following was discussed:

- John Patterson, Treasurer and Tax Collector stated that there is a need to quitclaim Los Amigos Golf Course back to the County. This property was originally leased pursuant to the commercial paper program and removed as security in 2004. A lease termination agreement was executed by the Los Angeles County Capital Asset Corporation (LACCAL) and the County to

release the property back to the County. However, it has not been determined if the document was recorded. The Treasurer and Tax Collector's Office will further research the issue, and if necessary, prepare a quitclaim deed to be executed by the president of LACCAL releasing the property back to the County.

Following discussion, on motion of Director Bush, seconded by Vice-President Parekh and unanimously carried, LACCAL recommended the Treasurer and Tax Collector to further research the issue and if necessary prepare a quitclaim deed for execution by the president of the LACCAL.

LACCAL COMMERCIAL PAPER PROGRAM

The following was reported:

- Doug Baron, Treasurer and Tax Collector, stated that the County Commercial Paper Program is undergoing a major overhaul. The program was first approved by the CAL-CAL Board on June 2, 1997, and was originally put in place to refinance prior obligations of the Health Services Department. Since that time it's been an integral component of the Capital Projects Program and has been used to fund the initial construction costs of many different projects for the County. One project was the LAC-USC Medical Center of which commercial paper financed more than \$350 million of construction cost.
- Commercial Paper Program continues to be an integral part of the Capital Project Financing Plan. Under its current structure there is optional termination date of May 1, 2010. Two of the letters of credit bank who currently supports the program has opted to terminate as of May 1, 2010. The two banks are West EB and BLB, two German Landis Banks who have been under market pressure. The third bank that is a letter provider to the program is JP Morgan who continues to work with the County. Recognizing that May 1, 2010, the Treasurer and Tax Collector issued an RFP in January to select new letter of credit banks to replace West EB and BLB.
- John Patterson, Treasurer and Tax Collector, further stated that a new RFP was issued in February 2010 to solicit LAC Banks and four responses were received from Bank of America, Wells Fargo, Union Bank and Bank of Nova Scotia. Bank of Nova Scotia was priced too high and was eliminated from consideration. Bank of America, Wells Fargo, along with JP Morgan are the primary LAC competitors. It was decided to reconstitute the program with the four banks and JP Morgan as the anchor. The Treasurer and Tax Collector is in the process of negotiating the final agreements with the four banks, and are

currently on track with the Board of Supervisors approving the new program on April 6, 2010. President Sneider requested Treasurer and Tax Collector review the cost and benefit associated with new appraisal and report back at the next LAC-CAL meeting. It is recommended that the Board adopt the resolution to allow the Treasurer and Tax Collector to move forward with the new program and execute the required legal documents.

Following discussion, on motion of President Sneider, seconded by Vice President Parekh and unanimously carried, the Corporation approved the Resolution.

ELECTION OF OFFICERS

Nominations for officers were open; Director Bush recommended the rotation of officers.

On motion of Director Bush, seconded by President Sneider, the Corporation unanimously elected the rotation of officers stated as follows:

- President: Mahesh Parekh
- Vice President: Judith Frank
- Secretary-Treasurer: Robert Bush
- Director: Arturo Sneider
- Director: Bondie O. Gambrell

PUBLIC COMMENT

There were none.

MATTERS NOT ON THE POSED AGENDA (to be Presented and Placed on the Agenda of a Future Meeting)

President Sneider directed staff to generate a formal letter for his signature encouraging the First District Supervisor to appoint someone to the LAC-CAL Board.

ADJOURNMENT

The meeting was adjourned at 3:35 p.m.

GUESTS

Douglas Baron, Treasurer and Tax Collector
John Patterson, Treasurer and Tax Collector
Lilibeth Salazar, Treasurer and Tax Collector
John Wong, Treasurer and Tax Collector
Peter Burgis, Chief Executive Office
Cammy DuPont, County Counsel
Kam W. Wong, Auditor Controller
Sandy Yoshima, Auditor Controller
Huan Ling Lee, Auditor Controller

STAFF

George Britton, Board of Supervisors, Commission Services
Mireya Rivera, Board of Supervisors, Commission Services
Guadalupe Duron, Board of Supervisors, Commission Services